



General Assembly

January Session, 2007

Raised Bill No. 7380

LCO No. 5566

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Referred to Committee on Finance, Revenue and Bonding

Introduced by:
(FIN)

AN ACT REPEALING THE SALES AND USE TAX ON MANAGEMENT SERVICES TRAINING AND TRUCK REPAIRS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subparagraph (J) of subdivision (37) of subsection (a) of
2 section 12-407 of the general statutes is repealed and the following is
3 substituted in lieu thereof (*Effective October 1, 2007*):

4 (J) Business analysis, management, management consulting and
5 public relations services, excluding (i) any environmental consulting
6 services, (ii) any training services provided by an institution of higher
7 education licensed or accredited by the Board of Governors of Higher
8 Education pursuant to section 10a-34, [and] (iii) on and after January 1,
9 1994, any business analysis, management, management consulting and
10 public relations services when such services are rendered in connection
11 with an aircraft leased or owned by a certificated air carrier or in
12 connection with an aircraft which has a maximum certificated take-off
13 weight of six thousand pounds or more, and (iv) any training in
14 management services.

15 Sec. 2. Subparagraph (M) of subdivision (37) of subsection (a) of

16 section 12-407 of the general statutes is repealed and the following is
17 substituted in lieu thereof (*Effective October 1, 2007*):

18 (M) Motor vehicle repair services for vehicles other than commercial
19 trucks, truck tractors, tractors and semitrailers and vehicles used in
20 combination therewith, including any type of repair, painting or
21 replacement related to the body or any of the operating parts of a
22 motor vehicle; for purposes of this subparagraph, "commercial trucks,
23 truck tractors, tractors and semitrailers and vehicles used in
24 combination therewith" shall have the meaning provided in
25 subdivision (70) of section 12-412, as amended by this act.

26 Sec. 3. Subdivision (70) of section 12-412 of the general statutes is
27 repealed and the following is substituted in lieu thereof (*Effective*
28 *October 1, 2007*):

29 (70) (A) Sales of, [and the] storage, use or other consumption of, or
30 sales of parts for, commercial trucks, truck tractors, tractors and
31 semitrailers, and vehicles used in combination therewith, which (i)
32 have a gross vehicle weight rating in excess of twenty-six thousand
33 pounds or (ii) are operated actively and exclusively during the period
34 commencing upon its purchase and ending one year after the date of
35 purchase for the carriage of interstate freight pursuant to a certificate
36 or permit issued by the Interstate Commerce Commission or its
37 successor agency. As used in this subsection, "gross vehicle weight
38 rating" means the value specified by the manufacturer as the loaded
39 weight of the single or combination vehicle and, if the manufacturer
40 has not specified a value for a towed vehicle, means the value specified
41 for the towing vehicle plus the loaded weight of the towed unit.

42 (B) Each purchaser of a commercial truck, truck tractor, tractor or
43 semitrailer or vehicle used in combination therewith exempt from tax
44 pursuant to the provisions of subparagraph (A)(ii) of this subsection
45 shall, in order to qualify for said exemption, present to the retailer (i) a
46 copy of the certificate or permit that was issued by the Interstate
47 Commerce Commission or its successor agency to the purchaser and

48 (ii) a certificate, in such form as the commissioner may prescribe,
49 certifying that such commercial truck, truck tractor, tractor or
50 semitrailer or vehicle used in combination therewith will be operated
51 actively and exclusively for the carriage of interstate freight. The
52 purchaser shall be liable for the tax otherwise imposed if, during the
53 period commencing upon its purchase and ending one year after the
54 date of purchase, such commercial truck, truck tractor, tractor or
55 semitrailer or vehicle used in combination therewith is not operated
56 actively and exclusively for the carriage of interstate freight.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2007</i>	12-407(a)(37)(J)
Sec. 2	<i>October 1, 2007</i>	12-407(a)(37)(M)
Sec. 3	<i>October 1, 2007</i>	12-412(70)

Statement of Purpose:

To repeal the sales and use taxes on training for management services and on parts and labor for repairs to commercial motor vehicles weighing over twenty-six thousand pounds.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]